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**UNITED STATES DISTRICT COURT**

**FOR THE NORTHERN DISTRICT OF CALIFORNIA**

IN RE HIGH-TECH EMPLOYEE  
ANTITRUST LITIGATION

THIS DOCUMENT RELATES TO:  
  
ALL ACTIONS

Case No.: C 11-CV-2509-LHK

**DECLARATION OF JAMES M.  
KENNEDY PURSUANT TO CIVIL  
LOCAL RULE 79-5 SUBMITTED  
IN SUPPORT OF DEFENDANTS'  
JOINT ADMINISTRATIVE  
MOTION TO FILE UNDER SEAL**

Date: August 8, 2013  
Time: 1:30 p.m.  
Courtroom: 8, 4<sup>th</sup> Floor  
Judge: Hon. Lucy H. Koh

DECLARATION OF JAMES M. KENNEDY PURSUANT TO  
CIVIL LOCAL RULE 79-5 SUBMITTED IN SUPPORT OF  
DEFENDANTS' JOINT ADMINISTRATIVE MOTION TO  
FILE UNDER SEAL  
Case No.: C 11-CV-2509-LHK

**DECLARATION OF JAMES M. KENNEDY**

I, James M. Kennedy, declare as follows:

1. I am the Senior Vice President, Business Strategy and Chief Legal Counsel for Pixar, and I am an attorney licensed to practice law in the State of California. The matters set forth herein are true and correct of my own personal knowledge and information provided to me. If called as a witness, I could and would testify competently thereto.

2. I submit this declaration pursuant to Civil Local Rule 79-5 and this Court's Standing Order with respect to documents that Defendants request be maintained under seal. *See* Defendants' Joint Administrative Motion to File Under Seal filed on June 21, 2013 ("Defendants' Joint Motion"). Pixar requests that certain materials designated as confidential by Pixar and lodged under seal be sealed pursuant to Civil Local Rule 79-5. In particular, Pixar requests that the Court maintain under seal portions of the Expert Report of Kathryn Shaw, Ph.D ("Shaw Report") and certain exhibits attached to the Declaration of Lin Kahn ("Kahn Declaration"). Public versions of these materials were filed on June 21, 2013. In the public versions, the parties redacted those portions that refer to the contents of Pixar's confidential information.

3. I have reviewed the Shaw Report and Defendants' Joint Motion. Good cause exists to file under seal the following paragraphs, lines, and exhibits, which contain competitively sensitive and proprietary information about Pixar's compensation practices and/or confidential and highly sensitive personal information about Pixar employees. Pixar's proposed redactions to these documents are being lodged with the Court.

4. Shaw Report

a. Good cause exists to seal portions of footnote 25, paragraphs 25 and 26 of Appendix C and paragraph 24 of Appendix D of the Shaw Report. The information contained within that footnote and those paragraphs reflect highly confidential and competitively sensitive information regarding Pixar's compensation structure and average annual salary increases. Disclosure would create a substantial risk of serious competitive harm to Pixar because its

competitors would gain detailed insight into Pixar's competitive and proprietary compensation practices. Pixar would be placed at a significant competitive disadvantage with respect to its compensation strategies and would therefore be prejudiced if the information were made available to the general public.

b. Good cause exists to seal portions of the following exhibits to the Kahn Declaration:


- Exhibit 4: (Page 71 (lines 2, 8, 18, and 20); Page 89 (lines 9-16); Page 169 (line 23); and Page 170 (lines 2 and 18)); and
- Exhibit 22: (Page 44 (line 25); Page 45 (lines 3, 5, and 9); Page 46 (lines 2, 3, 4, 12, and 21); and Page 47 (lines 1, 2, 5, 9, and 11)).

The information contained in these exhibits reflect highly confidential information about Pixar's compensation structure and average annual salary increases. Disclosure would create a substantial risk of serious competitive harm to Pixar because its competitors would gain insight into Pixar's competitive and proprietary compensation practices. Pixar would be placed at a significant competitive disadvantage with respect to its compensation strategies and would therefore be prejudiced if the information were made available to the general public.

c. Good cause exists to seal in its entirety Exhibit 27 to the Kahn Declaration. The exhibit reflects extensive confidential, non-public personal identifying information about certain Pixar employees and highly sensitive confidential information about their salaries and raises. Disclosure could cause great personal harm to these individuals. This exhibit also reflects highly confidential and competitively sensitive information about Pixar's compensation practices, including specific information related to salary increases and stock option grants guidelines. Disclosure would create a substantial risk of serious competitive harm to Pixar because its competitors would gain insight into Pixar's competitive and proprietary compensation practices. Pixar would be deprived of its investments in developing these practices and would be placed at a significant competitive disadvantage with respect to its compensation strategies.

5. I declare under penalty of perjury under the laws of the State of California and the United States that the foregoing is true and correct.

Executed on June 21, 2013, in Emeryville, CA.

  
James M. Kennedy

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